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AGREEMENT

by and between

THE COMMONWEALTH OF MASSACHUSETTS,
MASSACHUSETTS DEPARTMENT OF HIGHWAYS,
EXECUTIVE OFFICE OF TRANSPORTATION AND CONSTRUCTION,
THE CITY OF BOSTON,
BOSTON REDEVELOPMENT AUTHORITY,
THE MASSACHUSETTS GENERAL HOSPITAL, and
THE SPAULDING REHABILITATION HOSPITAL CORPORATION

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THIS AGREEMENT is effective this ____ day of November, 1992 by and between THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), the EXECUTIVE OFFICE OF TRANSPORTATION AND CONSTRUCTION, State Transportation Building at Ten Park Plaza, Boston, MA 02116 (the "Executive Office"), and the MASSACHUSETTS DEPARTMENT OF HIGHWAYS, State Transportation Building at Ten Park Plaza, Boston, MA 02116 (the "Department"), THE CITY OF BOSTON, One City Hall Square, Boston, MA, (the "City") the BOSTON REDEVELOPMENT AUTHORITY, City Hall Square, Boston, MA, (the "BRA") THE MASSACHUSETTS GENERAL HOSPITAL, 55 Fruit Street, Boston, MA 02114 (the "MGH") and THE SPAULDING REHABILITATION HOSPITAL CORPORATION, 125 Nashua Street, Boston, Massachusetts ("Spaulding") (collectively, the "Parties").

The Parties, in consideration of the mutual promises contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows.

I. DEFINITIONS.

1. Agreement. This written contract executed by the Parties, including all Exhibits referenced herein.
2. Charles River Crossing Improvements. The facilities both above and below ground as shown conceptually on Exhibit B.
3. Central Artery Project or the Project. The Central Artery/Tunnel Project, as described in Article II(A)(3) of this Agreement.

4. Commercial Improvements. Commercial facilities (excluding temporary interim uses of the MGH Parcel) that may be developed in accordance with all applicable law on the MGH Parcel by MGH, its successors, subsidiaries, transferees and assigns. Commercial Improvements shall include such commercial, hospital, medical services, medical research, clinical, biotechnical, office, retail, hotel, open space and other facilities as are determined by MGH to represent the most viable and highest and best use of the MGH Parcel.

5. Construction Mitigation Agreements. One or more agreements that the Parties will enter into, if required, pursuant to Article III (B), which will set forth reasonable and appropriate safeguards determined in good faith by the Executive Office, the Department, MGH, and Spaulding to facilitate the continued safe and efficient operation of the SRH consistent with appropriate standards of patient care and comfort after the commencement date of Central Artery Project pre-construction activities (such as storage of equipment or supplies, mobilization, lay-down, soils storage, etc.) and/or construction activities are required to begin on the MGH Parcel, the SRH Parcel, or adjacent parcels.

6. Consultants. Collectively, (i) any and all consultants from different disciplines employed by the Executive Office and/or the Department to assist it in managing the Central Artery Project and to perform diversified planning, feasibility, environmental and preliminary design work, and (ii) any and all

consultants from different disciplines employed by MGH and/or SRH to assist it in performing the tasks to be performed by the MGH and/or SRH in connection with this Agreement.

7. Relocation Work. All design, engineering, construction and development work undertaken (i) to evaluate, select, and acquire an appropriate SRH Replacement Site, (ii) to permit, relocate and construct the SRH Replacement Facility, and (iii) to permit, develop, commission and construct temporary facilities in connection with the foregoing, if necessary.

8. Federal Highway. The Federal Highway Administration of the United States Department of Transportation.

9. Hazardous Materials. As used herein, shall mean any substance, material, gas or waste which is or becomes subject to the Massachusetts Contingency Plan (310 CMR §40.00 et seq.) or is otherwise regulated by any governmental authority, local, state or federal, or their agencies.

10. MGH. The Massachusetts General Hospital, a non-profit corporation chartered pursuant to Chapter 94 of the Acts of 1810. The MGH is the sole corporate member of Spaulding.

11. MGH Parties. The MGH and Spaulding.

12. MGH Parcel. That parcel of land located on Nashua Street and owned by MGH adjacent to the SRH Property, more fully described and shown as Parcel A on Exhibit A attached hereto.

13. Permits. All necessary licenses, permits and other approvals required under applicable federal, state and local law for any of the undertakings of the Parties contemplated under the

terms of this Agreement and in particular those Permits required in connection with the development of the SRH Replacement Facility.

14. Pre-Construction Activities. Those activities undertaken by the Commonwealth on the SRH Property and/or the MGH Parcel prior to the relocation of the SRH to the SRH replacement facility, including but not limited to storage of equipment and supplies, mobilization of construction work, lay down requirements and soils storage, but such activities shall not include survey, soil testing, borings and similar activities.

15. Spaulding. The Spaulding Rehabilitation Hospital Corporation, a Massachusetts non-profit corporation formed pursuant to M.G.L. ch. 180 (of which the MGH is the sole member) and which operates the Spaulding Rehabilitation Hospital.

16. SRH. Spaulding Rehabilitation Hospital, a 284-bed hospital operated by Spaulding at 125 Nashua Street, Boston, Massachusetts.

17. SRH Property. That parcel of land , together with all improvements located thereon as more fully described and shown as Parcel B on Exhibit A attached hereto. The SRH Property includes the Spaulding Rehabilitation Hospital. The MGH Parties represent that Spaulding is the sole occupant of the SRH Property and that the SRH Property is not subject to any lease, occupancy or other agreement with any other entity which would permit such entity to occupy the property.

18. SRH Replacement Facility. A rehabilitation hospital functionally equivalent to the SRH taking into account current licensing requirements, building codes and standards, Architectural Access Board and the American with Disabilities Act standards ("ADA Standards"), Department of Public Health regulations, applicable accreditation requirements, Determination of Need requirements, rate setting requirements and standards of patient care and comfort which will be relocated, permitted and constructed by the MGH Parties so as to allow for the continuous delivery of all rehabilitation services as are currently available at the existing SRH .

19. SRH Replacement Site. Land designated as a site for the SRH Replacement Facility.

20. State and MGH Parties. The Commonwealth of Massachusetts, acting through the office of the Governor, the Executive Office, the Department, MGH and Spaulding.

21. Public Parties. The Commonwealth of Massachusetts acting through the office of the Governor, the Executive Office, the Department, the City of Boston, and the Boston Redevelopment Authority.

II. GENERAL PROVISIONS.

A. Scope and Purpose of Agreement.

1. This Agreement governs (i) the timing of the taking of the SRH Property by the Department; (ii) the procedures to be followed and the guidelines and standards to be considered in connection with determining the compensation to be paid to

Spaulding for the SRH Property so taken; (iii) certain cooperation agreements which may be required to be entered into in connection with the pre-construction and construction period of the Central Artery Project and the permanent taking of all or a portion of the MGH Parcel, (iv) the mutual obligations of the parties with respect to the construction and construction of their respective projects, and (v) the cooperation of the Parties in the permitting and development of the SRH Replacement Facility within a time frame which is consistent with the development of the Charles River Crossing Improvements.

2. The Executive Office and the Department are authorized to enter into this Agreement pursuant to Massachusetts General Laws, Chapters 79 and 81, the Acts and Resolves of 1988, Chapter 15, §6 and the Acts and Resolves of 1991, Chapter 33, §6. The Executive Office and the Department each agree to undertake any and all statutory, procedural and other actions necessary to fully perform its obligations under applicable State law.

3. The Executive Office and the Department are in the process of planning, designing and constructing the Central Artery Project, which will include the design and construction of: (a) a limited access highway and related facilities to replace the corridor known as the Central Artery ("I-93") affecting an area from the Massachusetts Avenue Interchange northerly to an interchange with Interstate 93 and Route 1; (b) extension with access and related facilities of the Massachusetts Turnpike ("I-90") from the present terminus at the Central Artery

through a Third Harbor Tunnel to Route C-1; and (c) certain peripheral facilities.

4. As a part of its construction of the Project, the Department intends to construct the Charles River Crossing Improvements on the SRH Property and the MGH Parcel. The parties acknowledge that the Charles River Crossing Improvements as shown on Exhibit B represent the current preferred design alternative for the Charles River Crossing but that this design is subject to public comment and Federal Highway Administration approval. As a result, the Department and the Executive Office reserve their rights to modify such design to obtain such approval.

5. Spaulding owns and operates a rehabilitation hospital, designated as the SRH on the SRH Property and MGH owns a parcel of land adjacent to the SRH Property referred to herein as the MGH Parcel all as shown as Parcels A and B respectively on Exhibit A hereto.

6. The Executive Office and the Department have determined that if the construction of the Charles River Crossing Improvements proceeds according to the conceptual design set forth on Exhibit B or any modification of such design within the general family of so-called 8.1.(d) design solutions, the Commonwealth will take by eminent domain the SRH Property pursuant to the procedures described herein.

7. The Parties agree that the continued operation of SRH at the SRH Replacement Site is an important public good and the services provided by SRH serve an important public purpose.

As a result, the development of the SRH Replacement Facility requires immediate action to prevent damage to the public health.

8. The successful completion of the Charles River Crossing Improvements, the relocation of SRH and the construction of the SRH Replacement Facility will require a very high level of cooperation, assistance, support, and coordination of the efforts of the Parties to ensure that such relocation is completed on schedule, including an expeditious selection and acquisition of the SRH Replacement Site and expeditious permitting and construction of the SRH Replacement Facility so that inconvenience to Spaulding, the patients it serves and the public is avoided, or minimized to the maximum extent possible.

9. The MGH Parties acknowledge their support and commitment for the development of the Central Artery Project and recognize that the Central Artery will contribute to the economic development and regional transportation network serving the Greater Boston Metropolitan Area. The MGH Parties hereby pledge their support for the expeditious development of the Central Artery Project, subject to the faithful performance of the obligations of the Parties to this Agreement. Notwithstanding this commitment of support, until the date on which payment is made to the MGH Parties, or otherwise agreed to by the MGH Parties of an amount deemed acceptable to the MGH Parties for the taking of the SRH Property, the MGH Parties reserve the right to file such comments as they deem appropriate to the Notice of Project Change as filed by the Department on October 1, 1992 and

to take such other action as is deemed advisable by them to preserve and assert their rights to object to the development of the Central Artery Project.

10. The Parties agree that subject to: (1) the faithful performance of of all Parties of the terms and conditions of this Agreement; and (2) the Department and the MGH Parties mutually agreeing upon an acceptable payment for the SRH Property or having an amount determined by the arbitration provisions described below; (3) the timely payment to Spaulding of such amounts; and (4) the payment to Spaulding of all amount owing to it under applicable state and federal laws for relocation benefits due to the relocation of the SRH; this Agreement represents a settlement of all claims the MGH Parties have or will have against The Commonwealth of Massachusetts, the Executive Office and the Department for the taking of the SRH Property and the resulting relocation of SRH.

B. Commencement of Agreement.

This Agreement shall commence and be binding on the Parties hereto on the date this Agreement is executed by each Party hereto.

III. SRH PROPERTY.

A. Determination of Value of SRH Property.

In connection with the construction of the Central Artery Project, the Department has determined that to develop the Charles River Crossing Improvements as shown conceptually on Exhibit B it is necessary to acquire the SRH Property.

1. The State and MGH Parties agree to cooperate and to use all reasonable efforts to negotiate a mutually agreeable award of damages for the taking of the SRH Property. Such cooperation and reasonable efforts shall include, but not be limited to, the following:

(a) On or before November 23, 1992, the MGH Parties and the Department each shall retain such appraisers, engineers, cost estimators and other experts as each party may deem reasonably necessary to assist it in determining the fair market value of the property. Upon such date each party shall furnish to the other party a list of the experts so retained, including each expert's name, employer or company affiliation, address, and area of expertise.

(b) On or before November 23, 1992, the MGH Parties and the Department each shall agree on the components of the SRH Property to be deemed real property for purposes of conducting the appraisals (the "Appraisals"). This agreement shall be memorialized in a written memorandum signed by such parties.

(c) The MGH Parties shall furnish to the Department and its experts information regarding the design, construction, and use of the SRH Property. Such information shall include, but may not be limited to, site plans, original construction plans and specifications (with respect to the original structure, two additions, and major renovations), floor plans, the fixed asset property ledger (or equivalent records), a list or summary of all major renovations or replacements, maintenance contracts and

maintenance records with respect to major systems and equipment, and such other information relating to the physical characteristics or condition of the SRH Property as it may reasonably request.

(d) The Department shall furnish to the MGH Parties the results of any investigations, studies or reports undertaken by the Department (including the Department's experts) with respect to the physical characteristics or condition of the SRH Property.

(e) The MGH Parties and the Department agree to consult on a regular basis, through designated representatives and their respective experts, in an effort to identify and resolve subsidiary factual issues and such issues as may arise with respect to means and methods of evaluating the SRH Property. The Appraisals and the mediation and binding arbitration described herein, will determine the fair market value of the SRH Property in accordance with Chapter 79 of the Massachusetts General Laws and as that term is defined by decisions of the federal courts and the Courts of the Commonwealth.

(f) The Parties agree to give due consideration to the SRH Property as Special Purpose Property for which the most appropriate method of valuation is a reproduction or replacement cost less depreciation approach to value. In determining such reproduction or replacement cost, due consideration shall also be given to the additional costs, if any, of reproducing or replacing the existing SRH Property in conformity with current legal requirements and standards which are applicable to the SRH

Replacement Facility. The mediator and the arbitrators, if required to be utilized under this Agreement, shall also give due consideration to the standards stated above in determining the valuation of the SRH Property to be paid to Spaulding.

(g) On or before January 15, 1993, the MGH Parties and the Department shall provide to the other a preliminary non-binding estimate of the projected valuation for the SRH Property, including a statement or summary of the basis of the estimate.

(g) The MGH Parties and the Department shall use all due diligence to complete the valuation of the SRH Property, including all experts' reports, appraisals, reviews and approvals, on or before February 2, 1993 which Departmental Appraisals shall be conducted in accordance with standard Department procedures. On February 15, 1993, each such party shall notify the other in writing of its determination of the fair market value of the SRH Property. The written notice shall, in addition, include a statement or summary of the facts and reasoning on which the determination was made. Such statement shall be in reasonable detail as may be necessary to permit the other party to evaluate the determination of the fair market value.

2. Upon the exchange of the statements of fair market value as provided in Paragraph 3(g) above, the Department shall expeditiously proceed to make the taking of the SRH Property which in any event shall be completed within 90 days of the date of notification of the fair market value described in Paragraph

1(g) above. However, if the taking by the Department at such time would violate the Department's obligations under any outstanding environmental review procedure the taking of the SRH Property by the Department shall occur at the earliest date thereafter which is so permitted.

3. If, as a result of the process described in Paragraph 3, the MGH Parties and the Department have reached agreement as to the fair market value of the SRH Property, the Department, subject to the environmental review limitation described in paragraph #3 above, shall pay such agreed amount to Spaulding in connection with the taking provided in Paragraph .

4. If the MGH Parties and the Department are not in agreement on the amount of payment for the SRH Property, the Department, subject to the environmental review limitation described in paragraph #3 above, shall, in any event, expeditiously proceed to make the taking of the SRH Property and shall pay to Spaulding as an award of damages pro tanto, an amount equal to the Department's estimate of the fair market value of the SRH Property. The MGH and the Department shall promptly thereafter negotiate in good faith in an effort to reach agreement as to the fair market value of the SRH Property. If such parties cannot reach agreement within 15 business days of the date that the statements of fair market value were exchanged as provided in Paragraph 1(g), the parties shall promptly submit the issue to mediation. For purposes of this agreement, the MGH Parties and the Department agree promptly to designate one of the individuals listed on Exhibit C as the mediator.

5. If no agreement on the fair market value of the SRH Property is reached through mediation within 30 business days of the date that such Parties exchanged statements of fair market value as provided in Paragraph 1(g), such Parties shall forthwith submit the matter to binding arbitration pursuant to G.L. c. 254. Such arbitration is to be completed no later than June 1, 1993. Those arbitrators acceptable to the MGH and the Department are those individuals listed in Exhibit D attached hereto. Such Parties recognize and acknowledge that due to the nature of the eminent domain proceedings for the SRH Property, the Arbitrators should have qualifications and experience in determination of value based upon a replacement value approach to valuation.

The Executive Office and the Department agree that each will exert its best efforts to expedite the completion of the Appraisals and the payment of the amounts determined to be owing to Spaulding. In the event that following the date of payment by the Department of the damages pro tanto as described in paragraph 4 above, the Parties agree or the arbitrators determine that the fair market value of the SRH Property is different than the amount of such damages pro tanto, the Department or Spaulding as the case may be, shall promptly pay to the other the amount of such difference plus interest on such amount calculated in accordance with G.L. c. 79.

B. Use and Occupancy Agreement

If the SRH Property is taken by the Department, the Department will enter into an agreement with Spaulding allowing

Spaulding to use the SRH Property following the taking on terms normal and customary for such a use and for a term commencing on the date of the taking and ending on the date Spaulding completes the transfer of its operations to the SRH Replacement Facility.

In establishing the appropriate payments payable by SRH under the agreement, appropriate consideration will be given to the short term nature of the agreement, the potential adverse effects of pre-construction and construction activities on or around the SRH Property which will be required in connection with the construction of the Charles River Crossing Improvements, and the reimbursability of such amounts to Spaulding under applicable Rate Setting, Medicaid and Medicare regulations.

Due to the unique use of the SRH Property by Spaulding, the MGH Parties and the Department agree that the establishment of an appropriate charge for occupancy by Spaulding, on the SRH Property will be difficult to establish by reference to other use and occupancy arrangements. As a result the MGH Parties and the Department will attempt to reach agreement on an appropriate charge for such occupancy within 120 days of execution of this Agreement.

C. SRH Construction Mitigation Agreement.

The Parties agree to cooperate with one another to expedite the development, permitting and construction of the SRH Replacement Facility and to eliminate or minimize the period of time during which the SRH may be required to operate after the commencement of Pre-construction and construction activities in

connection with the development and construction of the Charles River Crossing Improvements on the MGH Parcel, the SRH Property and/or adjacent areas to these parcels. Notwithstanding these efforts, there may of necessity be a period during which Pre-construction or construction activities must commence while Spaulding continues operation of the SRH. In such event, in order to ensure the continued safe and efficient operation of the SRH after the date on which the Department commences such Pre-construction and/or construction activities, the Department agrees that it will enter into one or more Construction Mitigation Agreements prior to the date of any such Pre-construction or construction activity commences. MGH and Spaulding shall cooperate to permit access to the MGH Parcel and the SRH Parcel by appropriately authorized Executive Office and/or Department employees, contractors and consultants for Central Artery Project purposes prior to the commencement of Pre-construction or construction activities, provided that such activities do not jeopardize the continued safe and efficient operation of the SRH. The Construction Mitigation Agreements will contain appropriate safeguards to ensure the protection of the operation of SRH consistent with appropriate standards of patient care and comfort and all applicable licensing and regulatory requirements so as to minimize the possibility of interference with current operations. The Construction Mitigation Agreements, which may be incorporated into the use and occupancy agreement referenced above, will to the extent required

include, without limitation, appropriate protections with respect to the effects of construction noise, dust, vibrations, traffic, access, parking, falling and/or blowing objects and/or materials, and settling which may occur as a result of the Pre-construction or construction activities undertaken, including hours of construction operations and provision for adequate casualty, liability, and other types of insurance coverage which may be reasonably required by MGH and/or SRH in light of the Pre-construction and construction activities which the Department proposes to undertake prior to the cessation of operations of the SRH.

IV. THE MGH PARCEL.

The Executive Office and the Department agree that, in the event that the Department does not make a permanent and total taking of the MGH Parcel, it will be necessary to mitigate the adverse effect of the construction of the Charles River Crossing Improvements on the MGH Parcel and certain adverse aesthetic effects to the surrounding area which may result from such Improvements. The Executive Office and the Department therefore agree to cooperate with the MGH Parties to design and construct the Charles River Crossing Improvements and such other Improvements which may be constructed on the MGH Parcel in a manner that preserves and maximizes, to the fullest extent possible (compatible with the design and construction criteria of

the Charles River Crossing Improvements and other Improvements as contemplated hereby), the highest and best use for the remainder of the MGH Parcel, so as to enable the MGH (or transferee of the MGH's interest in the MGH Parcel), if MGH so desires, to develop and construct the Commercial Improvements on the MGH Parcel. Notwithstanding the foregoing, the completion of such design and construction shall be subject to a determination by the Department and the Executive Office that such design and construction is technically and economically feasible. In addition, if the Department proceeds with the design and construction on the MGH Parcel as provided for herein, it shall be entitled to consider the same in any appraisals conducted to determine the damages owed as a result of any taking of the necessary portions of the MGH Parcel. Nothing in this Agreement shall create an obligation on the part of MGH to develop or construct the Commercial Improvements. MGH agrees that it will not, without the consent of the Executive Office and the Department, commence construction of the Commercial Improvements until all on-site construction activities of the Executive Office and the Department relating to the Charles River Crossing Improvements have been substantially completed.

If the Department determines not to make a permanent and total taking of the MGH Parcel, the scope of the permanent easements to be taken by the Department in the MGH Parcel shall be limited to that portion of the MGH Parcel which is required for the construction of the Charles River Crossing Improvements.

Exhibit B describes the current intended scope of the Department's taking of permanent and temporary easements on the MGH Parcel.

In the development of the Charles River Crossing Improvements, any air rights, cross-easements, access and the like which will facilitate the development and construction of the Commercial Improvements shall be reserved to the MGH. The MGH and its consultants will meet with the Executive Office and the Department to review the engineering and design criteria required for the development and construction of the Charles River Crossing Improvements. To enable the Department to design and timely commence construction of the Charles River Crossing Improvements, MGH will provide such plans, specifications and necessary criteria reasonably satisfactory in substance and detail to the Department, describing location, loadings, bearing capacities, all other necessary information regarding the MGH Parcel and the Commercial Improvements. As the design of the Charles River Crossing Improvements evolves and is further developed, such Parties agree that such development will, to the extent possible, not adversely affect in any material respect either the efficiencies to the construction of the Charles River Crossing Improvements by the Department nor the compatibility with or the development of the Commercial Improvements.

Unless otherwise required under applicable laws, MGH shall prepare and apply for all Permits required in connection with the Commercial Improvements and the Department shall prepare

and apply for all Permits required in connection with the Charles River Crossing Improvements. To the extent not inconsistent with its obligations under State law, the Public Parties agree to support MGH in its efforts to process the Permits between and among all Federal, State and Local regulatory agencies.

As the design for the Charles River Crossing Improvements evolve, the State and MGH Parties agree to execute and deliver such other agreements relating to the Parties' respective interests in the Nashua Street Parcel including easements or cross-easements for construction, support, access, egress, passage, use of areas, utilities or other services, party foundation walls, agreements for lateral support, encroachments, licenses or similar arrangements as may be necessary in order to facilitate the development, construction and operation of the Charles River Crossing Improvements and the Commercial Improvements.

Upon the completion of the construction of the Charles River Crossing Improvements, the Department shall provide MGH with copies of all as-built drawings of the portions of the Project constructed upon or affecting the MGH Parcel. Upon the completion of the Commercial Improvements, MGH shall provide the Department with copies of all as-built drawings.

In exercising their rights and performing their obligations hereunder, the State and MGH Parties shall comply with all ordinances, regulations, rules and orders of all governmental bodies having jurisdiction, shall perform all work

properly and in a good and workmanlike manner and shall not at any time unreasonably interfere with the use of any of the properties affected hereby by others entitled thereto.

The MGH Parties have not made and hereby make no representation or warranty with respect to the absence or presence of Hazardous Materials on the MGH Parcel or the SRH Property (individually, "Site" or collectively, "Sites"). The MGH Parties have permitted and shall continue to permit the Department full access to the Sites for the purpose of conducting such tests of the subsurface conditions of the Sites as the Department reasonably deems necessary in accordance with this Section. This testing may include, at the discretion of the Department, investigations relating to the presence of Hazardous Materials on or within the Sites. The Department agrees promptly to provide MGH and Spaulding with a full and complete copy of the results of any test by the Department on the Sites. Such tests shall be conducted in a manner which shall not interfere with the continued safe and efficient operation of the SRH.

If the Department's testing indicates the presence of Hazardous Materials within the SRH Property or within that portion of the MGH Parcel subject to an eminent domain taking by the Department, the Department shall be responsible for the removal or other appropriate remedial measures of all such Hazardous Materials provided, however, that the Valuation and the taking price for such real property will be appropriately adjusted to reflect the cost for the Department's reasonable costs for such removal or remediation measures.

If the Department determines not to make a permanent and total taking of the MGH Parcel, the Department may, if requested by MGH (and at MGH's sole cost) extend its removal or remediation activities to those portions of the MGH Parcel not so taken by the Commonwealth, which are subject to Hazardous Materials contamination (as indicated by MGH's environmental tests), provided, however, that the Department's agreement to extend its remedial activities to such area shall not require the Department to undertake such activities if the Department reasonably determines that such activities are impracticable or would otherwise create Central Artery Project delays.

The removal of Hazardous Materials from the MGH Parcel if performed by the Department shall meet all applicable Federal, state and local remediation standards. The Department agrees that if it undertakes the removal activities described above, it shall apply, and it shall use its best efforts to cause other Federal, state and local agencies having jurisdiction over the environmental condition of the MGH Parcel to apply the most advantageous and cost effective standards and procedures with respect to the excavation, removal, transportation, handling and disposal of any Hazardous Materials from the MGH Parcel as are available or used with respect to environmental remediation of other publicly owned real property included in the Central Artery Project.

To the extent permitted by law and regulation, the Department agrees that other than the adjustment to the Valuation in the

taking prices as referenced above due to the costs of removal or remediation of Hazardous Materials which are disclosed by the soils testing described above, it shall not hold MGH or SRH responsible (whether by seeking additional adjustment to the Valuation for either parcel, or other off-set under this Agreement, by commencing a civil or administrative action against MGH or SRH seeking reimbursement or contribution for any costs or liability incurred by the Commonwealth and/or the Department relating to the existence or removal of Hazardous Materials from the SRH Property and/or the MGH Parcel, except (i) that MGH and SRH shall be responsible for the costs incurred by the Department relating to the existence or removal of any Hazardous Materials' contamination caused by MGH and/or the SRH on the SRH Property and the MGH Parcel after such Site is acquired by the Department, and (ii) MGH and/or SRH shall be responsible for the costs incurred by the Department relating to the existence or removal of any Hazardous Materials contamination within those areas of the MGH Parcel not taken by the Department, if any.

V. RELOCATION OF THE SPAULDING REHABILITATION HOSPITAL.

The Parties recognize and agree that SRH serves an important public purpose in the delivery of quality rehabilitation services to its patients and that the continuous, uninterrupted provision of these services is in the public's best interest.

The Parties also recognize and agree the the design modifications now incorporated into the Charles River Crossing Improvements which facilitate and improve the Central Artery

Project as shown on Exhibit B require the relocation of the SRH. It is, therefore, in the public interest for all Parties to cooperate and exert best efforts to expedite the development of the SRH Replacement Facility so as to assure its completion and commencement of operations prior to the date that construction activities for the Charles River Crossing Improvements must commence on the SRH Property.

A. Selection of SRH Replacement Site.

The MGH Parties have commenced a search and evaluation in accordance with site criteria established by the MGH Parties of sites within and outside the City of Boston on which to locate the SRH Replacement Facility (the "SRH Replacement Site"). Those sites within the City of Boston will be given first consideration by the MGH Parties and the MGH Parties are actively reviewing certain sites in Boston, including the Charlestown Navy Yard site, as of the date of execution of this Agreement. The MGH Parties, however, reserve the final right to select the SRH Replacement Site which in the sole judgment of the MGH Parties best meets their site criteria standards.

The MGH Parties will continue this review and selection process as expeditiously as possible for the SRH Replacement Site and will notify all Parties of the final determination as promptly as possible. Within 10 days of the execution of this Agreement the MGH Parties shall provide to the Executive Office and the Department a schedule for site selection, permitting, pre-construction development activities, construction and

completion of the SRH Replacement Facility and shall regularly update and apprise such Parties of changes to such schedule.

B. Licenses, Permits and Environmental Approvals.

The Parties to this Agreement agree to exert their respective best efforts, including but not limited to the specific undertakings contained herein, to assist the MGH Parties in the selection of the location, acquisition, permitting and development of the SRH Replacement Facility.

The Commonwealth is committed to support the SRH Replacement Facility and to take those actions necessary, or appropriate to assist in the prompt acquisition and permitting of the SRH Replacement Facility including without limitation design and environmental reviews, tidelands review and licensure conducted under Massachusetts General Laws Chapter 91, MEPA review, Determination of Need, Coastal Zone Management and, to the extent applicable, review by the Massachusetts Historical Commission.

If the SRH Replacement Facility is located within the City of Boston, the City of Boston and the Boston Redevelopment Authority (the "BRA") are committed to support the SRH Replacement Facility and to take administrative steps to expedite the acquisition and permitting of the SRH Replacement Facility including without limitation design and environmental reviews conducted under applicable zoning laws, Article 31 of the Boston Zoning Code (Development Review Requirements); Massachusetts General Laws Chapter 91 (including Boston Municipal Harbor Plan);

Massachusetts General Laws Chapter 121A (including any existing 121A Agreements which affect all or any portion of the SRH Replacement Site) Land Disposition Agreements (including any existing Land Disposition Agreements which effect the SRH Replacement Site); Urban Renewal Plans; traffic and circulation and related land use permitting issues.

C. Schedule of Development of of the SRH Replacement Facility.

The City shall, if requested by the MGH Parties, allow the MGH Parties to commence piling foundations, underground utilities and other "fast track" work prior to completion of the approval process described above. The MGH Parties shall use their best efforts to cooperate with the BRA with respect to the development review process.

The Public Parties shall assist the MGH Parties in identifying and complying with all applicable rules, regulations, and requirements and shall, consistent with their public obligations, publicly support the development of the SRH Replacement Facility.

The Parties further recognize that one alternative which could expedite the permitting and development process may be to seek special legislation affecting one or more of the State and/or local review procedures described above. Subject to their prior review and approval, the Public Parties agree that if the MGH Parties determine to seek appropriate special legislation to ensure that the SRH Replacement Facility will be constructed on a

schedule consistent with the development of the Charles River Crossing Improvements and/or to address other matters with respect to this transaction, the Public Parties will assist and support the passage of such legislation. The MGH Parties agree promptly to begin a preliminary draft of a proposal of such legislation and to submit the same to the Executive Office and the Department contemporaneously with the signing of this Agreement.

If the SRH Replacement Facility is located within the City of Boston, the City of Boston agrees to expedite all municipal permits and approvals with the intention of completing any necessary reviews to as to allow MGH to achieve an early construction start and all-purpose construction start of the SRH Replacement Facility. Mayor Flynn has appointed Richard Dimino, the Commissioner of the Department of Traffic, to serve as the City Ombudsman (the "City Ombudsman") for the SRH Replacement Facility in connection with all City-level reviews, permits, and approvals. It shall be the primary responsibility of the City Ombudsman to assure that all City-level reviews occur expeditiously, in a coordinated manner, and in keeping with commitments regarding schedule set forth in this Agreement. Both the BRA and the City agree to extend all reasonable cooperation to the City Ombudsman in meeting these responsibilities.

Governor Weld has appointed Peter Nessen, Secretary of Administration and Finance, to serve as the Commonwealth Ombudsman (the "Commonwealth Ombudsman") for the SRH Replacement

expeditiously, in a coordinated manner, and in keeping with commitments regarding schedule set forth in this Agreement. Both the BRA and the City agree to extend all reasonable cooperation to the City Ombudsman in meeting these responsibilities.

Governor Weld has appointed Peter Nessen, Secretary of Administration and Finance, to serve as the Commonwealth Ombudsman (the "Commonwealth Ombudsman") for the SRH Replacement Facility in connection with all state-level reviews, permits, and approvals. It shall be the primary responsibility of the Commonwealth Ombudsman to assure that all state-level reviews occur expeditiously, in a coordinated manner, and in keeping with commitments regarding schedule set forth in this Agreement. The Commonwealth, on behalf of its departments and agencies, agrees to extend all reasonable cooperation to the Commonwealth Ombudsman in meeting these responsibilities.

The Commonwealth agrees to expedite all state-level permits and approvals with the intention of completing any necessary reviews and approvals so as to allow MGH to achieve an early construction start of the SRH Replacement Facility.

Nothing in this Agreement shall be interpreted as requiring or authorizing any public agency to deviate from its legal responsibilities with respect to any ordinance, rule, regulation or law.

D. Development of the SRH Replacement Facility.

Subject to the performance by the Parties of their obligations under this Agreement the MGH Parties agree to use

the scheduling of the SRH Replacement Facility and to update the Representatives of the status of work performed or to be performed. The Representatives may recommend to MGH and/or SRH that it take certain action or refrain from taking certain action to expedite the completion of the SRH Replacement Facility and MGH and SRH shall in good faith and in a timely manner review such recommendations, provided, however, that the submission of recommendations by the Representative shall not give rise to a duty or responsibility of MGH or SRH to change its planned work. The Parties shall continue to coordinate their respective activities to facilitate development of the SRH Replacement Facility within the schedule set forth on Exhibit ____.

VI. MISCELLANEOUS PROVISIONS.

A. Relocation Benefits. The Parties recognize and acknowledge that the MGH Parties have certain rights to relocation benefits pursuant to both State and federal law and that the mutually undertakings and agreements contained herein are separate and distinct and not in lieu or compromise of any rights, benefits or claims the MGH Parties may have to such benefits.

B. Replacement Parking. The Parties recognize and acknowledge that the takings of the SRH Property and all or a portion of the MGH Parcel during at least the period of construction of the Central Artery Project will result in the loss of parking which currently serves the need of the MGH, and the employees, patients and visitors to Massachusetts General

Hospital. The Parties agree to cooperate to identify and assist MGH in entering into agreements for replacement parking as is feasible to serve these needs both during the construction period referred to above and thereafter.

C. Construction Mitigation Agreement-MGH Main Campus. The Executive Office and the Department acknowledge that the construction of the Central Artery Project will result in certain adverse Construction Period impacts on the operations of the Main Campus of the Massachusetts General Hospital and will upon the request of MGH, implement such modifications in methods of construction, alternative construction access routes and other measures to mitigate such adverse impacts as are feasible and consistent with the ability of the Department and the Executive Office to efficiently and effectively develop and construct the Central Artery Improvements.

D. Actions Required by Parties to Adopt Agreement. The Parties hereto acknowledge that the undertakings contained herein may require further cooperative action with respect to the adoption of the Agreement, actions required to render the Agreement enforceable against each Party and procedures with respect to the implementation of the eminent domain takings described herein. In the event a Party fails to provide such cooperation, the other Parties shall be entitled to withhold the performance of its obligations hereunder until such cooperation is provided.

E. Release from Land Damages and Other Claims.

The parties contemplate that the costs to be incurred by the Department hereunder for the taking of the SRH Property shall qualify for Federal Highway reimbursement. Notwithstanding the foregoing, however, the obligations of the Department to take the SRH Property and to pay Spaulding for the taking of the SRH Property shall not be subject to or conditional upon the reimbursability of such costs to the Department by Federal Highway.

The performance by the Executive Office and by the Department of their obligations to MGH and SRH including payment of the agreed upon taking amounts for the SRH Property hereunder shall constitute full settlement of all claims of the MGH and Spaulding in connection with the eminent domain takings contemplated by this Agreement. Upon payment by the Department to MGH or SRH of all sums owed under this Agreement, including payment of the agreed upon taking amounts for the SRH Property, the MGH Parties shall release and discharge the Department and the Department's representatives from any and all claims and liabilities for any direct, severance, incidental or consequential damages caused to MGH's and/or Spaulding's real estate and/or facilities which may be brought under Massachusetts General Laws c. 79 or otherwise, by reason of such eminent domain takings, and for any uses of MGH's and/or Spaulding's property necessary to accomplish the above in the form attached hereto as Exhibit F. The Department agrees and acknowledges that, if this

Agreement is terminated through no fault of the MGH Parties or deemed unenforceable against the Department or through no fault of MGH and/or Spaulding, in such event, the MGH Parties shall retain their respective rights to pursue claims for direct, incidental or consequential damages caused to their real estate which may be brought under state law, including Massachusetts General Laws c. 79. MGH and Spaulding specifically reserve all other rights and claims for losses and damages, under Massachusetts General Laws c. 79 or otherwise, arising from the eminent domain taking of any of its property or any rights therein by any taking authority exceeding the scope set forth herein, or by any construction or other activities occurring upon the MGH's property or otherwise affecting said property directly or indirectly.

F. Representatives.

The Parties shall from time to time each designate in writing one or more individuals who may be Consultants to act as their representatives for coordination of matters in connection with this Agreement. The Parties shall make their responsibilities under this Agreement a very high priority for such individuals and shall use their best efforts to maintain continuity by changing representatives as infrequently as possible and giving each other as much advance written notice as possible under the circumstances in the event of a change of representatives.

G. Cooperation.

The Parties agree to cooperate with each other actively and in good faith in all other endeavors not specifically set forth in this Agreement, and with a very high level of support generally in connection with the Project and, in particular, to work with each other to mitigate and devise solutions to problems in order to expedite environmental documentation and processing, design, engineering, construction and operation of the Central Artery Project and the SRH Replacement Facility. To that end, the Parties agree to meet as often as reasonably necessary to discuss and resolve any issue that may arise in connection with the Central Artery Project and the SRH Replacement Facility.

To the extent that this Agreement contemplates or requires further negotiation, coordination and discussion, (including the negotiation of the Construction Mitigation Agreements referred to herein), the Executive Office, the Department, MGH and Spaulding and such Consultants as it deems appropriate, agree to meet and negotiate and discuss such issues in good faith.

H. Counterparts; Contract Under Seal.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. This Agreement shall be construed as a contract under seal and interpreted in accordance with the laws of The Commonwealth of Massachusetts.

I. Notices.

Any and all notices or other communications required or permitted under this Agreement shall be in writing and delivered by facsimile, hand, or reputable overnight delivery service, or mailed postage prepaid, return receipt requested, by registered or certified mail, at the addresses set forth below or at such other addresses as shall be furnished from time to time in writing hereafter by any party to the other party. Such notices shall be effective upon receipt by such individuals or their properly authorized representatives.

THE COMMONWEALTH: Governor William F. Weld
Commonwealth of Massachusetts
State House, Room 360
Boston, MA 02133

with a copy to: Robert Cordy, Esquire

THE EXECUTIVE OFFICE: Secretary Richard L. Taylor
Executive Office of Transportation
and Construction
10 Park Plaza, Room 3510
Boston, MA 02116-3969

with a copy to: Robert Baum, Esquire
Executive Office of Transportation
and Construction
10 Park Plaza, Room 3510
Boston, MA 02116-3969

THE DEPARTMENT: Commissioner James Kerasiotes
Massachusetts Department of Highways
Commonwealth of Massachusetts
1 South Station
Boston, MA 02111

with a copy to:

Peter M. Zuk
Director I-93/I-90 Project
Commonwealth of Massachusetts
Massachusetts Department of Highways
One South Station
Boston, MA 02110

with a copy to:

Edward J. Corcoran
Director - Right of Way
Massachusetts Highway Department
10 Park Plaza
Boston, MA 02116-3969

with a copy to:

CITY OF BOSTON:

Mayor Raymond L. Flynn
Boston City Hall
One City Hall Square
Boston, MA 02201

with a copy to:

BOSTON REDEVELOPMENT
AUTHORITY:

Paul Barrett, Director
Boston Redevelopment Authority
City Hall Plaza
Boston, MA 02110

with a copy to:

Jerry Kavanaugh
Boston Redevelopment Authority
City Hall Plaza
Boston, MA 02110

MGH:

Vincent D. Cucchiara
Vice President - Program and
Facilities Development
The Massachusetts General Hospital
Trustees House
10 North Grove Street
Boston, MA 02114
Mailing Address: 55 Fruit Street
Boston, MA 02114

with a copy to:

Richard S. Boskey, Esquire
Deputy General Counsel
The Massachusetts General Hospital
Legal Department
50 Staniford Street, 10th Floor
Boston, MA 02114
Mailing Address: 55 Fruit Street
Boston, MA 02114

SPAULDING:

Manuel J. Lipson, M.D.
General Director

Spaulding Rehabilitation Hospital
125 Nashua Street
Boston, MA 02114

with a copy to:

Richard S. Boskey, Esquire
Deputy General Counsel
The Massachusetts Hospital
Legal Department
50 Staniford Street, 10th Floor
Boston, MA 02114
Mailing Address: 55 Fruit Street
Boston, MA 02114

J. Liability of Parties.

The Parties agree that their employees, directors, officers, representatives, consultants, attorneys and agents shall have no personal liability under this Agreement.

K. Excuse of Performance.

The Parties hereto shall not be considered in default of performance of any obligation hereunder to the extent that the performance of any such obligation is prevented or delayed by any cause which is beyond the reasonable control of and not involving the willful fault and/or negligence of such Party, including, without limitation, strikes, inability to procure labor or materials, riots, war, or natural disaster. Each Party hereto shall exercise its reasonable best efforts and due diligence to provide written notice to the other Party of any inability or material delay in the performance of its obligations hereunder and the reasons therefor as soon as practicable and in any event within seven (7) days following the time that it reasonably

becomes aware of such inability or delay.

L. Successors and Assigns.

The rights, obligations, liabilities, terms, conditions and agreements hereof shall inure to the benefit of and be binding upon the successors, assigns, representatives, transferees, and mortgagees of the Parties, provided, however, that nothing in this Agreement is intended to confer any right or benefit on any person other than the parties to it and their respective successors, assigns, representatives, transferees, and mortgagees or give any third party any right of subrogation or action over or against any party to this Agreement.

M. Severability.

If any of the terms, provisions or conditions of this Agreement or the application thereof to any circumstances shall be invalid or unenforceable and the exclusion of such term, provision or condition to such circumstances does not materially or adversely effect the rights or obligations of the parties hereto or the benefits to be accorded to each, the remainder of this Agreement and the application of such term, provision or condition to such circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby, and each of the other terms, provisions and conditions of this agreement shall be valid and enforceable to the fullest extent permitted by law.

N. Time is of the Essence.

The parties agree that time is of the essence of this Agreement.

O. Entire Agreement.

This Agreement (including the Exhibits and Attachments hereto) constitutes the entire agreement between the Parties relating to the subject matter hereof and all previous agreements, discussions, communications, writings and correspondence with respect to the subject matter hereof are superseded by the execution of this Agreement. This Agreement may not be modified or amended except in writing signed by or on behalf of each party by its authorized representatives.

P. Representations and Warranties.

The Parties represent and warrant that each has full power and authority to execute this Agreement, that the execution of this Agreement is a duly authorized, legal, valid and binding action of such Party, that each has the requisite authority under applicable law to perform its obligations hereunder in accordance with its terms and that no consent of any other party and no authorization of any kind, by, exception or registration or declaration with, any governmental authority is required in connection with the execution by and delivery of this Agreement.

IN WITNESS WHEREOF, The Commonwealth the Executive Office,
the Department, the City the BRA, MGH and Spaulding have caused
their duly authorized officers to execute this Agreement.

COMMONWEALTH OF MASSACHUSETTS

By: _____
William F. Weld, Governor

EXECUTIVE OFFICE OF TRANSPORTATION
AND CONSTRUCTION

By: _____
Richard L. Taylor, Secretary

MASSACHUSETTS DEPARTMENT OF HIGHWAYS

By: _____
James Kerasiotes, Commissioner

Gregory C. Prendergast, Assoc.
Commissioner

Joseph C. Crescio, Assoc.
Commissioner

Sherman Eidleman, Assoc.
Commissioner

THE CITY OF BOSTON

By: _____
Raymond L. Flynn, Mayor

BOSTON REDEVELOPMENT AUTHORITY

By: _____
Paul Barrett, Director

THE MASSACHUSETTS GENERAL HOSPITAL

By: _____

THE SPAULDING REHABILITATION
HOSPITAL CORPORATION

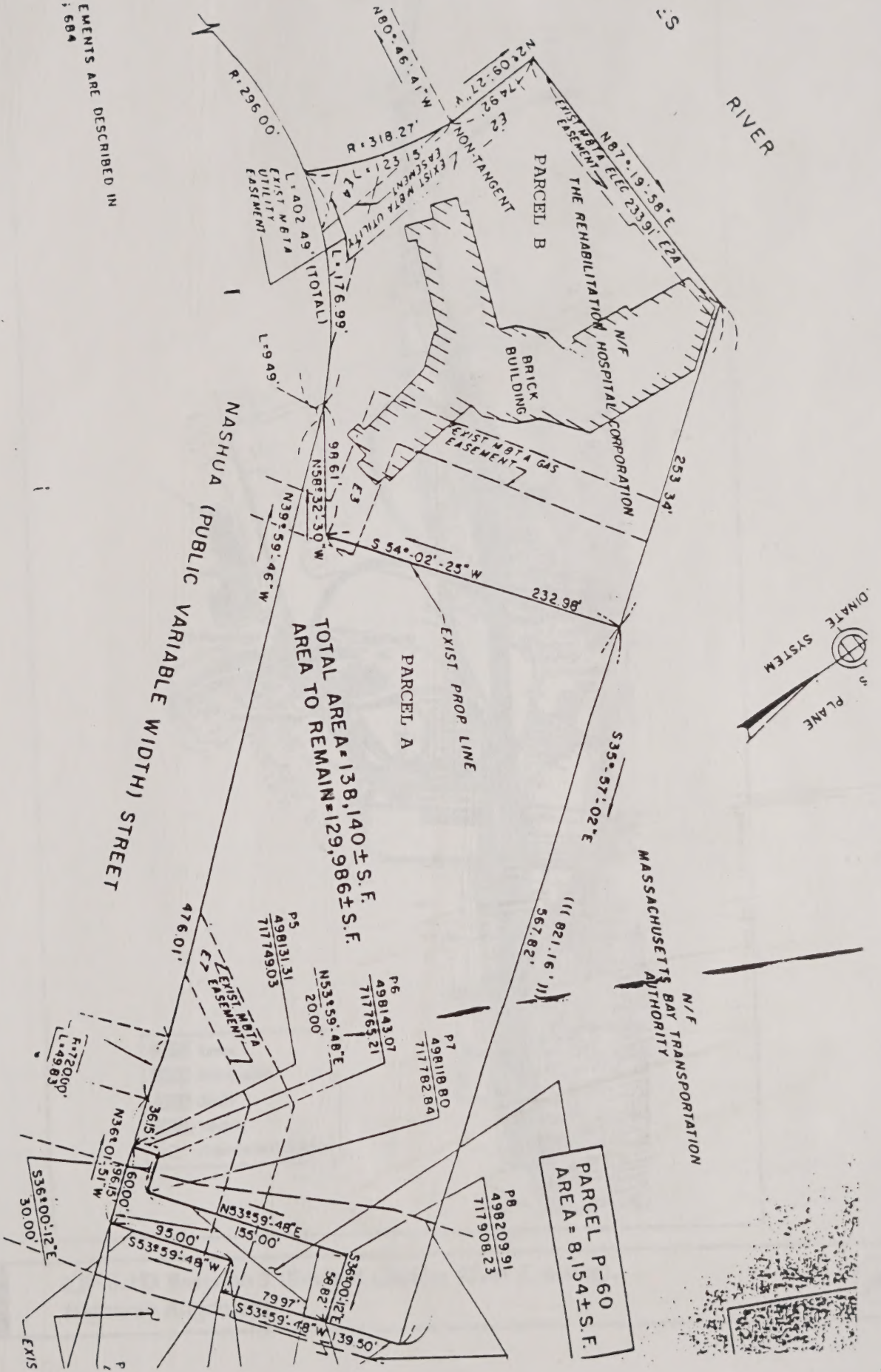
By: _____
Manuel J. Lipson, M.D.

LIST OF EXHIBITS AND ATTACHMENTS

MGH/EXECDOCS/.AC8

EXHIBIT A

ELEMENTS ARE DESCRIBED IN
§ 684



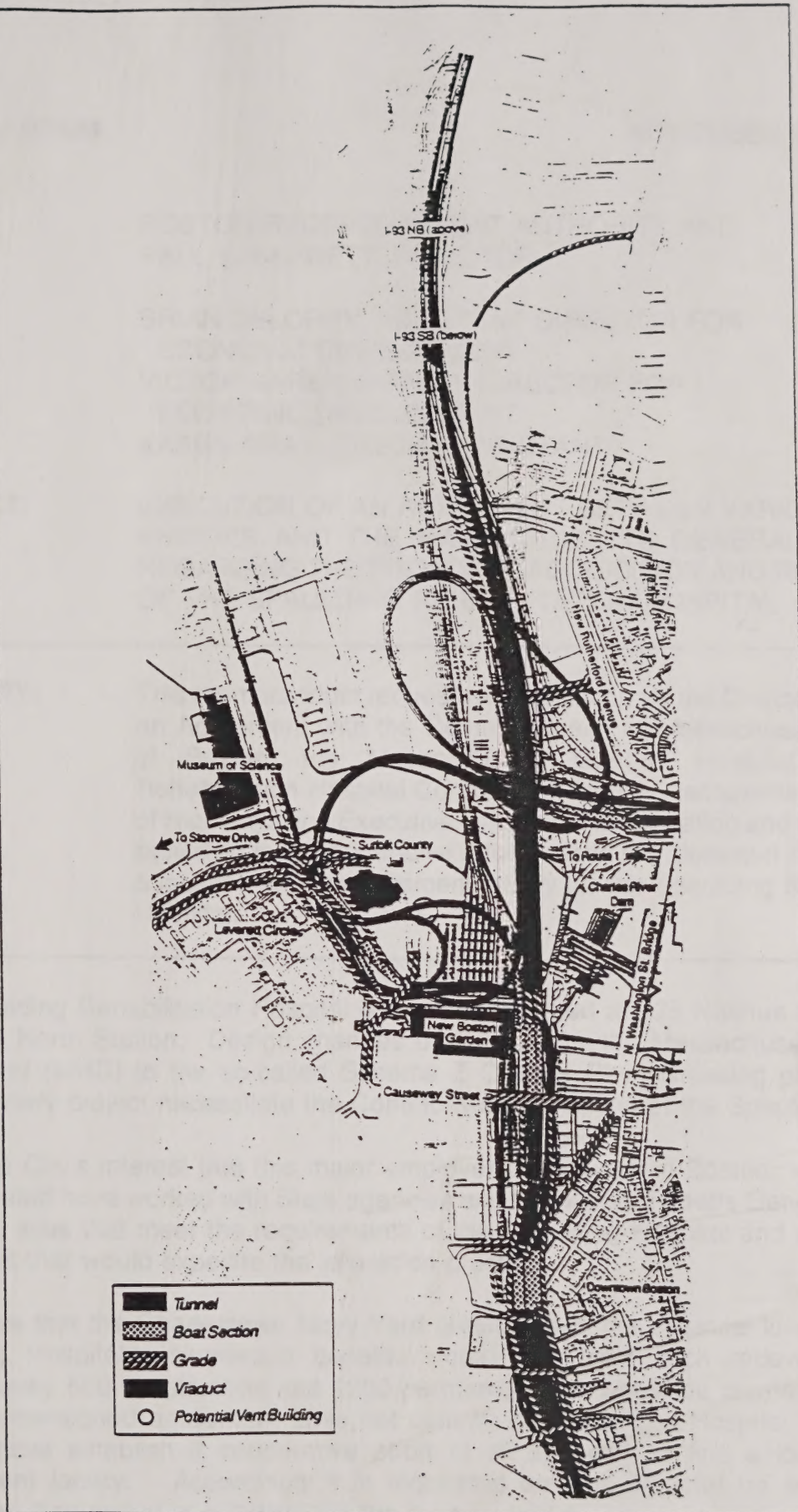


Figure
2.3

CIP 8.1D Revision 5 (Revised Charles River Crossing).
Highway Alignment.



MEMORANDUM

NOVEMBER 24, 1992

TO: BOSTON REDEVELOPMENT AUTHORITY AND
PAUL L. BARRETT, DIRECTOR

FROM: BRIAN DELOREY, ASSISTANT DIRECTOR FOR
ECONOMIC DEVELOPMENT
VICTOR KAREN, DEPUTY DIRECTOR FOR
ECONOMIC DEVELOPMENT
KAREN GRAY, SPECIAL ASSISTANT

SUBJECT: EXECUTION OF AN AGREEMENT BETWEEN VARIOUS PUBLIC
ENTITIES AND THE MASSACHUSETTS GENERAL HOSPITAL
REGARDING THE PROPOSED ACQUISITION AND RELOCATION
OF THE SPAULDING REHABILITATION HOSPITAL

SUMMARY: This memorandum requests authorization for the Director to execute an Agreement with the Commonwealth of Massachusetts, the City of Boston, the Massachusetts General Hospital, Spaulding Rehabilitation Hospital Corporation, the Massachusetts Department of Highways and Executive Office of Transportation and Construction providing for a cooperative effort among the aforesaid parties to find a location for a replacement facility for the Spaulding Rehabilitation Hospital.

The Spaulding Rehabilitation Hospital is currently situated at 125 Nashua Street in the vicinity of North Station. Design changes undertaken by the Massachusetts Highway Department (MHD) to the so-called Scheme Z Charles River Crossing portion of the Central Artery project necessitate the Commonwealth's taking of the Spaulding site.

It is in the City's interest that this major employer be retained in Boston. Accordingly, Authority staff have worked with State agencies and the Massachusetts General Hospital to identify sites that meet the requirements of the Spaulding Hospital and negotiate an agreement that would expedite the relocation process.

We believe that the Charlestown Navy Yard presents a prime potential location for the Spaulding Hospital. Numerous benefits would flow from such redevelopment -- approximately 600 construction and 1200 permanent jobs would be created. Although the abovementioned agreement does not commit the Spaulding Hospital to the Navy Yard, it does establish a cooperative effort of all agencies to find a location for a replacement facility. Accordingly it is requested that the Director be authorized to execute an Agreement in substantially the form attached.

An appropriate vote follows:

VOTED: That the Director be and is hereby authorized to execute an Agreement substantially in the form attached hereto with the Commonwealth of Massachusetts, the City of Boston, the Massachusetts General Hospital, Spaulding Rehabilitation Hospital Corporation, the Massachusetts Department of Highways and Executive Office of Transportation and Construction providing a detailed process for the acquisition and relocation of the Spaulding Rehabilitation Hospital.